

May 16, 2003

SAVE OUR CITY - CHARTER NO!
ATTN: VIET NGUYEN, CAMPAIGN MANAGER
10020 MAIN ST A #176
BELLEVUE WA 98004

Subject: Complaint Concerning Bellevue Charter Now – PDC Case No. 03-243

Dear Mr. Nguyen:

The Public Disclosure Commission staff has completed its investigation of your complaint, received April 28, 2003, alleging that Bellevue Charter Now violated RCW 42.17 by: 1) failing to include sponsor identification on political advertisements; and 2) failing to timely report contribution and expenditure activities undertaken in support of a May 20, 2003 ballot proposition.

Your complaint was reviewed in light of the following statutes:

RCW 42.17.080 and 42.17.090 require political committees to file frequent and detailed reports of contribution and expenditure activities.

RCW 42.17.510 requires political committees that print and distribute political advertising to include the sponsor identification on all print and broadcast advertisements.

WAC 390-16-207(6), states, “in-kind contributions from one source are not reportable by the recipient political committee until the aggregate value of all in-kind contributions received from that source during a reporting period is more than \$50.”

You alleged that the Bellevue Charter Now Committee (BCN) failed to timely report contributions received on PDC Form C-3, and failed to timely disclose contribution and expenditure activities in support of the May 20, 2003 ballot proposition on PDC Form C-4. You also alleged that BCN failed to report the value of in-kind contributions for advertising included at no cost in the form of articles in neighborhood association and community newsletters. In addition, you alleged that brochures sponsored by the BCN failed to include a complete sponsor identification, and that yard signs displayed in the Bellevue area also failed to include a complete sponsor identification.

We found that:

- BCN acknowledged that they produced and distributed a brochure that failed to include the words “paid for by” or “sponsored by.” BCN took immediate corrective action by stamping or handwriting “paid for by” on all remaining brochures after being notified of the complaint. In accordance with Commission policy, BCN will be cautioned to include proper sponsor identification in future political advertising, and no further enforcement action will be taken.
- BCN stated that the yard signs paid for and displayed by the committee were exactly 14” x 22”, and therefore exempt from the sponsor identification requirements. BCN was aware that other yard signs were being displayed, but stated that they were not paid for, sponsored by, or coordinated with BCN.
- BCN stated that until they received a copy of your complaint they believed C-3 reports were to be filed monthly along with the committee’s C-4 report. On April 15, 2003, BCN made a \$325 deposit, and on April 18, 2003 an \$1,160 deposit. BCN filed a C-3 report for each deposit on April 29, 2003, eight days late. BCN stated that they would timely file C-3 reports for the remainder of the special election campaign.
- When BCN changed to full reporting on January 21, 2003 and filed its initial C-3 report, they failed to include a total for small unitemized contributors totaling \$845. BCN submitted a C-3 report on April 29, 2003, amending its C-3 report to include the \$845 total for small contributors.
- The pro-rata costs of articles included in neighborhood association and community newsletters that support or oppose ballot propositions are not reportable until the in-kind contribution exceeds \$50. BCN stated they would report the pro-rata costs of any neighborhood newsletters that included articles in support of the Bellevue City Charter ballot proposition, once the \$50 threshold is exceeded.
- On April 29, 2003, BCN timely filed its 21-day pre-election C-4 report and disclosed two in-kind contributions for Web Design and Web Hosting, along with two expenditures for yard signs and brochures for activities incurred during the month of April. On May 13, 2003, BCN timely filed its 7-day pre-election C-4 report, and also filed a C-3 report one day late. BCN stated that there is no campaign headquarters, and that meetings are held in the homes of committee officials and volunteers.

While two C-3 reports submitted by BCN were filed eight days late, one C-3 report was filed one day late, and small contributors totaling \$845 were not timely filed, the committee has submitted reports bringing their campaign filings up-to-date. The information has been made available to the public before the May 20, 2003 special election. In addition, BCN took immediate corrective on political advertising that failed to include the complete sponsor identification. Thus, no further enforcement action is warranted.

Save Our City - Charter No!

Complaint filed against Bellevue Charter Now – PDC Case No. 03-243

Page - 3 -

After a careful review of the alleged violations and relevant facts, we have concluded our investigation and, with the concurrence of the Chair of the Public Disclosure Commission, I am dismissing your complaint against Bellevue Charter Now Campaign.

If you have questions, please contact Phil Stutzman, Director of Compliance, at (360) 664-8853 or toll free at 1-877-601-2828.

Sincerely,

Vicki Rippie
Executive Director

Enclosure

c: Bellevue Charter Now Committee